



CALIFORNIA VETERANS BOARD

SELECT COMMITTEES MEETING #655

Friday, March 7, 2003 – 9 A.M.

Veterans Home of California

Chula Vista, CA



OPENING COMMENTS/ INTRODUCTIONS:

The California Veterans Board (CVB) Select Committee Session was called to order at 9:00 a.m. California Veterans Board members present included Chairman George Sinopoli (Fresno), Vice Chair Edward Feldman (Westlake Village), Members Judy Gaze (San Diego) and Larry Lattman (California Veterans Home in Yountville). Leo Burke (Stockton) was present by conference phone link, and Jerry Basconcillo (Delano) was excused. CVB Executive Officer Earl Steck was also present.

Secretary Johannessen introduced the Board and his staff present in Chula Vista including Tom Kraus, Joe Maguire, Acting Administrator of Veterans Home of California Chula Vista (VHC-CV), Murray, Gary Crossland and VHC-CV Public Affairs Officer John Smith. Secretary Johannessen referred to his overnight stay at the Veterans Home and will make those accommodations available to other CDVA staff and CVB members when space is available. He remarked that the capability of Video Teleconferencing (VTC) was a great way to do business at a much more affordable rate. Each VHC has the VTC capability and the Board is welcome to use these resources whenever possible. The VTC linked the Sacramento Department staff with the Board members. In Sacramento other staff members participated in the VTC meeting. Those members included: George Andries, Bruce Thiesen, Jerry Jones, Andy Kotch, and John Hanretty.

Secretary Johannessen reported the future plans for the Veterans Home of California Chula Vista (VHC-CV) would include the model as the training center for VHC employees before the next homes are built. He will hire new personnel and have them training at the Chula Vista Home prior to the building of the new VHC homes and as each new home comes on line the workers will be present to over watch the construction and make corrections as needed insuring the new homes are the best possible from the first step to completion. All support is in place plans and the Department is moving forward for the five new homes for California Veterans. The first three homes will be in West Los Angeles, Lancaster and Saticoy; these homes will be followed by homes in Shasta County (Redding) and the Central Valley (Fresno) area.

SELECT COMMITTEES REPORTS AND UNFINISHED BUSINESS:

Annual Report – Jerry Basconcillo, Chair: No report. Jerry was excused from the meeting.

Contract Review - Jerry Basconcillo, Chair: No report at this time.

Veterans Services – Glen Halsey, Chief: No report at this time.

Legislation – Leo Burke, Chair: Mr. Burke was linked to this meeting by telephone conference call and monitored the entire meeting. He reported there were several bills being tracked in the Legislature and more details would be provided at a later date. He recommended the Board support the principal

intent of the original bills and not indorse the contents until the final versions were presented. Secretary Johannessen indicated most bills change significantly from the original version to the form that is presented for voting into law.

Mr. Barrett Tetlow from Assembly member Shirley Horton's office requested the Board support on AB 214. This bill would add a voluntarily contribution option, on state income tax forms, for a quality of life fund to the Veterans Homes. These funds may not be considered in lieu of any budget plan.

Veterans Homes - Larry Lattman, Chair: Mr. Lattman said the four projects they have going on at the Yountville facility are on schedule. They are: Jefferson Hall, Lincoln Theatre, Coffee Shop, and Recreation Room in main hospital. He shared his concern over the shortage of workers at facility. Secretary Johannessen listed approved positions to be filled. In reference to the Barstow and Chula Vista homes, Secretary Johannessen said many personnel corrections have been made and the new team will be on board soon.

Mr. Sinopoli mentioned changing policy C-7 regarding land use to protect the veterans at the Homes. Ed Feldman brought up some issues related to criteria for admission to the Veterans Homes and recommended having a more clearly defined written policy.

Larry Lattman commented on the progress of the ongoing projects at the Barstow Home, stating a need for arts and crafts area and a non-denominational chapel. He reminded all present that the Veteran Homes of California are the "homes" for the veterans and not hospitals.

Gary Crossland remarked that a key point, from the residents at the homes, is the quality of life for the veterans to live in their homes and not "just a place to go and die."

The Homes Division provided an update report on the "Facility Quality Indicator Profiles." This report included 24 measurement areas for assessment of progress at the current California Veterans Homes.

Veterans Homes Division-Deputy Secretary George Andries: On VTC from Sacramento he reported the future home sites are on track. His efforts are with the planning and coordination requirements for the five new homes. His efforts are to insure the designs are made to accommodate the requirements for the veterans needs in the near future.

Farm and Home Committee- Judy Gaze, Chair: Ms. Gaze reported that the Cal-Vet loan program was able to lower the interest rate on new loans, and increased loan amount to a maximum of \$322,700, surpassing the loan amount available from the federal VA. Her focus, she said, would continue to structure the Cal-Vet loan program to help young veterans. Homes in most of the coastal areas and high-cost areas like San Diego are not affordable to them. Keeping them in California, and making them happy to be stationed at a base in California is something we need to focus our programs.

Judy will be meeting with congresswoman Susan Davis and could use input from the Department. Secretary Johannessen said his Communication Chief, Andy Kotch would be glad to assist. Andy can be reach at 916-653-1961 or email at Andrew.Kotch@cdva.ca.gov.

Farm & Home Division- Bruce Thiesen, Deputy Secretary of Operation: The Deputy Secretary reported from Sacramento. He announced that the new Division Chief of the Farm & Home Division is Jerry Jones. Jerry Jones thanked the Secretary for the opportunity to serve in the Farm and Home Division. He reported that the Farm and Home funded 85 loans in February totaling \$7,425,133. He spoke of need to extend veterans eligibility date for GO bond loans so that recent veterans are also being able to use this program. The Department wishes that it could allow refinancing, but that takes legislation, which is being working on. Life and disability insurance was turned over to Standard Insurance and Debbie Liptan from Standard will be training staff on this option. Disaster Coverage

premiums for the excess coverage are being finalized and should be completed this month. Application for loans by Internet is still 30 days off. It was also reported that the Department is working with five states to get HR 959 passed in support of younger veterans getting new cheaper home loans.

Appeals – George Sinopoli, Chair: Chairman Sinopoli asked for reports on appeals.

Board Member Feldman reported work was in process on his new appeals. Jerry Basconcillo will update his report next meeting. Appeals pending are Leslie Christian, Louis Collier, Richard Hauch, and Gerald Van Reusen.

Recognitions and Awards – George Sinopoli, Chair –Nothing to report.

Policy and Procedures – Edward Feldman, Chair: Dr. Feldman said the Board Policy Manual would require study for a while. It must be consistent with existing state and federal law as it applies to the Military Veterans Code and requires legal review. Assistance is still required to complete this review. His concern is that the California Veterans Board Policy Book reflects the letter and intent of the law as recorded in the Military and Veterans Code and not based on opinions. Dr. Feldman stated the Policy Book should establish the overall guidance for the Department's implementations. The Policies should not be detailed as to restrict the Department's day-to-day operational flexibility. To insure these Policies are fair and legal that process requires independent counsels assistance in developing.

Secretary Johannessen stated that the Military and Veterans Code has changed over time just as the Board Policies have. The Board sets the Policies and the Department carries them out (if possible). The Secretary's responsibilities are outlined in the Military & Veterans Code as are the California Veterans Board's. The Department has a \$360 million dollar operation with 1,600 employees and a staff of specialists in law, accounting, and medical operations. If the Board wants the Department to try something, the Department will let the Board know why it can or cannot implement the change. If there needs to be a compromise then details will be developed. We are all working for the best service to the California Veterans.

Dr. Feldman stated he understood the points made and that with time the Board and the Secretary's visions would be better understood, with more discussion the roles of the Board and the Department would be clarified.

Secretary Johannessen stated he has organized the Department with three key assistants; Tom Kraus as the expert in all the current Veterans Homes areas; Bruce Thiesen as the expert in the day-to-day operational areas of the Department; and George Andries as the expert in the future Veterans Homes coordination. Secretary Johannessen will support his staff and as "road blocks are found he will remove them"

OPEN FORUM

Chairman Sinopoli introduced Mr. Lynn Moore, Council Member Emeritus for the City of Chula Vista; his welcoming remarks were well received.

Chairman Sinopoli recognized, Colin Shadell, in open forum, who spoke about the resident leave policies at the 3 homes (leave from 30 days to 90), each VHC has a different policy. Dan Murray reported that these would be reviewed in "Quality Counsel Recommendations." Standardization and waiver requires coordination from Department of Labor.

Chairman Sinopoli recognized William Keith in open forum, who remarked that the sudden removal of Tom Arnold as the Chula Vista Home Administrator was of concern by many of the residents who

supported Mr. Arnold. They wanted to know why he had been removed. Secretary Johannessen stated that change was his call and no one else was involved. Dr. Feldman added that it was clearly the role of any leader to make management changes without announcement to the general public and that the Secretary was completely within his rights to make changes in personnel, as he needs to improve the services to the veterans of the State. Mr. Keith requested more information on the Board and the Executive Officer was directed to provide a copy of the Board's last Annual Report, which outlines the California Veterans Board Mission and accomplishment during the last year.

Chairman Sinopoli recognized Mr. Neal in open forum, he reported living at VHC-Chula Vista for two years and has loved every day. He thanked all present for his great home.

REVIEW OF UNFINISHED BUSINESS

- A. Policy Book updated,** See remarks above.
- B. Department Audits.** John Hanretty reported the Department has two ongoing audits one with the CVB and another team from Department of Finance.
- C. Budget,** John Hanretty reported no change in the Departments budget from the requested amount for the FY.

REVIEW OF NEW BUSINESS

- A. Select Committee reports:** See remarks above. Dr. Feldman informed the Board that the Board is in the process of a state-mandated audit by the State Audit Bureau, which will continue for several months
- B. Review of VHC-Yountville, Napa Museum contract.** Bruce Thiesen requested this be removed from the agenda and allow the Department time to coordinate the request with General Service Agency. Several legal points and changed since the contract was made and updates are required before additional agreements are considered.
- C. Quality Cash Flow Management Contract.** Judy Gaze and John Hanretty reviewed the history of this program and recommended supporting a motion at the 2PM meeting.

D. CVB Budget reduction steps. See remarks above. Chairman Sinopoli talked about the budget for the Veterans' Board, and the things that have been done to reduce costs. The Board has canceled two Board meetings this year, which will save approx. 9% of the total budget on each meeting, as well as holding more meetings in Sacramento, which would save an additional 16%. Estimated reduction of expenses for the Board will be approximately. 34%. The new use of Video Television Conferencing will save thousands of dollars for the Department and still provide professional input from the Department Staff members.

When the California Veterans Board holds its meetings at the Veterans Homes rooms will be requested and if available the members will stay in the homes, which should reduce costs even more.

Chairman Sinopoli adjourned the meeting at 1102 AM.

**CALIFORNIA VETERANS BOARD
MINUTES OF GENERAL SESSION #655
Friday, March 7, 2002 – 2 P.M.
Veterans Home of California
Chula Vista, CA**

GENERAL SESSION:

The California Veterans Board (CVB) monthly public meeting was called to order at 2:00 PM. Board members present included Chairman George Sinopoli (Fresno), Vice Chairman Edward Feldman

(Westlake Village), Members Judy Gaze (San Diego) and Larry Lattman (California Veterans Home in Yountville). Jerry Basconcillo & Leo Burke (Stockton) was excused.

Ms. Eva Erickson led the invocation and Mr. Jack Kelley led the Pledge of Allegiance.

Chairman Sinopoli introduced the members of the Board present; Joe Maguire, Legal Counsel to the Board; and CVB Executive Officer Earl Steck.

Secretary Johannessen introduced his staff including Tom Kraus, Dan Murray, Gary Crossland, and John Smith.

The audience introduced themselves. It was noted that many members of the local DAV, American Legion, VFW, AMVET's, PHSA, the Veterans Home in Chula Vista & Jim Stodola CVSO from San Diego and Phil Burkholder of the California State Auditors Office were present.

MOTION passed to approve minutes from the CVB meetings of February 7, 2003.

REPORT FROM BOARD MEMBERS ON ACTIVITIES FOR FEBRUARY:

Member Jerry Basconcillo Excused due to medical reasons.

Member Larry Lattman reported also attending the last Board meeting, and came to Sacramento to see Secretary Johannessen on issues relating to the home at Yountville. He reflected on his comments at the 9 AM meeting (see notes). On February 5 Secretary Johannessen visited the Yountville home and was welcomed by the residents. He announced that the Veterans Home of California in YOUNTVILLE would hold it "Founders Day" recognition on April 1st. That will be the 119th year for the Yountville Home.

Member Ed Feldman attended the last meeting. He is working with Camp Pendleton's USMC hospital for getting volunteer medical doctors to assist with the workload while the troops are deployed. Steve Arends from San Diego County VAC and Veterans Home Foundation volunteered to assist with that effort.

Member Judy Gaze attended the last CVB meeting, and attended the County of San Diego Veterans Advisory Council meeting. She reports willingness to attend Veterans meetings however many conflict with each other. She will do the best she can to attend. Judy reported planning to attend a meeting with Congresswomen Davis on the 17 to gain veterans affairs support, Chairman approved.

Chairman Sinopoli reported he conducted the last Board meeting. He has also been actively involved with Fresno veterans working on site selection for the future Veterans Home in that area.

REPORTS:

(Status of CDVA Division / Select Cal Vet Board (CVB) Committees / Special)

VETERANS HOMES OF CALIFORNIA, CDVA DIVISION, Tom Kraus. The Departments reorganization for the Veterans Homes is underway. He is actively involved with the current homes and Deputy Secretary George Andries is leading the coordination and planning for the five new homes coming to California Veterans in the next few years. Careful reviews are underway on the business practices behind what the veteran homes are providing and how the Veterans can be better served. Barstow has a new administrator by the name of Bruce Janssen and other great people are going to be joining the team in the future. **Scorecard system:** Undersecretary Tom Kraus said we plan to

simplify the scorecard system and bring a standard set of quality measures to the Homes. He said that the federal government is very sophisticated in how they measure quality, so we don't have to re-invent the wheel; we just need to bring in the data. Updates are provided in the Board's reading books.

VETERANS HOMES CALIFORNIA, CVB Committee, Larry Lattman. Mr. Lattman said all the projects in Yountville are on schedule. The Yountville home will become the home of Mr. Alejandro Ruiz, a Medal of Honor recipient. This will be the fourth Medal of Honor recipient to reside in the Yountville home. He referred to his comments from the morning meeting. See notes from 9AM session, above.

FARM AND HOME PURCHASES, CDVA DIVISION – Nothing to add from morning session.

FARM AND HOME PURCHASES, CVB Committee, Judy Gaze: Ms. Gaze had nothing to add from the morning session on the Farm and Home Purchases area. She did make a motion to accept the Quantitative and Cash Flow Management Consulting Contract discussed that morning.

MOTION passed unanimously.

VETERANS SERVICES DIVISION – Glen Halsey, Chief - Mr. Halsey was not present.

VETERANS SERVICES, CVB Committee, and Veterans Services, Jerry Basconcillo: No report was made.

POLICY AND PROCEDURES, CVB Committee, Edward Feldman: Dr. Feldman reported redraft of policy re: C-7, property and land use. The purpose of this policy is to ensure proper utilization of land that Veterans' Homes of California occupy. The policy statement is pending legal review. Hold on this action until revision and review by Board's legal counsel then presented to California Veterans Board for action.

CONTRACT MANAGEMENT, CDVA – John Hanretty, Chief, Finance Division – Mr. Hanretty reported in the morning VTC session that there were no new contracts at this time, but that between now and July we will probably have 10 new contracts to bring before the Board for review and approval.

CONTRACT MANAGEMENT, CVB Committee, Jerry Basconcillo. No report at this time.

LEGISLATIVE AFFAIRS, CDVA – Jerry Jones, Chief of Legislative and Public Affairs, was reporting from Sacramento, there are several bills working their way through the Legislature, and the deadline to have bills introduced is rapidly approaching, so we will see those soon.

LEGISLATIVE AFFAIRS, CVB Committee, Leo Burke. Mr. Burke was excused; his remarks were included in the morning session. See comments from 9AM meeting notes.

ANNUAL REPORT, CVB Committee, Jerry Basconcillo: Mr. Basconcillo was excused.

RECOGNITION AND AWARDS, CVB Committee, George Sinopoli: Chairman Sinopoli said there were no recognitions or awards to present.

APPEALS, CVB Committee, George Sinopoli:

Board Member Feldman reported work was in process on his new appeals. Jerry Basconcillo will update his report next meeting. Appeals pending are Leslie Christian, Louis Collier, Richard Hauch, and Gerald Van Reusen.

LEGAL DIVISION, Joseph Maguire, Deputy Secretary/Chief Counsel: Mr. Maguire reported the current caseload in the Law Division as of March, 2003 includes 15 adverse actions, 9 bankruptcies, 4 citations, 32 civil litigations, 8 contract reviews, 1 EEOC claim, 2 insurance case, 28 requests for legal opinions, 14 unlawful detainers and 20 miscellaneous cases for a total of 133 cases.

PUBLIC COMMENT – THREE MINUTE LIMIT:

(Board Policy Prohibits Response from Board Members)

Bob Scheuerell thanked Tom Kraus for reviewing the future Veterans Home sites and the timetables for construction. He stated he hopes the new homes will have more spaces for married couples.

Eve Erickson requested that the residence leave program be reviewed and a standard be set for the three veterans homes. He thinks residence should have 90 days a leave each year.

Donald Lake complemented Secretary Johannessen for taking action to “clean up” the Veterans Homes. “It is about time someone is taking care of the veterans.” His organization the “Citizens For Better Veterans Homes” thanks Secretary Johannessen for his quick discussions and supports his continued efforts.

Al Curtis wanted to know if he was a resident or a patient.... He was told that this is a Home and not a hospital, and therefore he is a resident of the home.

UNFINISHED BUSINESS:

- A. **Policy Book updated,** See remarks from 9AM session.
- B. **Department Audits.** John Hanretty reported the Department has two ongoing audits one with the CVB and another team from Department of Finance.
- C. **Budget,** John Hanretty reported no change in the Departments budget from the requested amount for the FY.

NEW BUSINESS

A. **Select Committee reports:** See remarks above. Dr. Feldman informed the Board that the Board is in the process of a state-mandated audit by the State Audit Bureau, which will continue for several months

B. **Review of VHC-Yountville, Napa Museum contract.** Bruce Thiesen requested this be removed from the agenda and allow the Department time to coordinate the request with General Service Agency. Several legal points and changed since the contract was made and updates are required before additional agreements are considered.

Counsel Joe Maguire brought up issue of the Napa Valley Museum lease. The representative of the Museum, Mr. Don Carr, had asked for a reduction in the lease rate and lengthen the option for the lease. Board Member Larry Lattman made a motion to table the topic on the Museum lease.

MOTION passed unanimously to table this topic.

C. Quality Cash Flow Management Contract. Judy Gaze and John Hanretty reviewed the history of this program and recommended a motion supporting this contract.

MOTION passed unanimously.

D. CVB Budget reduction steps. See remarks from 9AM session.

FUTURE MEETINGS: Board Member Judy Gaze proposed some ways to save money. She proposed a motion to have more meetings in Sacramento and have the meetings on one full day, rather than over two days.

Chairman Sinopoli asked if there was any further discussion to come before the Board. Audience member. Hearing none the meeting was adjourned at 2:59 PM..

FUTURE MEETING DATES AND LOCATIONS:

Currently all California Veterans Board meetings take place on Friday unless notified.

The next meeting of the Board will be on April 11 at the CDVA Headquarters Building at 1227 O Street, Sacramento, CA. Notice will be provided ten days in advance of the meeting. After that, there will be a meeting May 9th in Barstow at the VHC. No meeting is scheduled for June.

Yearly schedule is posted on web site: www.cdva.ca.gov/board

CLOSED SESSION (if necessary or required)

The general reason or reasons for a closed session, and the specific statutory authority therefore, are (1) to consider the appointment or employment of a public employee under the authority of Section 11126(a) of the Government Code; and (2) to confer with or receive advice from the Board's legal counsel regarding pending litigation under the authority of Section 11126(E)(2)(A), (2)(B), and (3) of the Government Code.

- There being no further business to discuss the meeting was adjourned at 3:01 PM.
- These minutes are only a summary of the proceeding and are not reported here verbatim.
- These minutes are posted to the California Department of Veterans Affairs on-line website at www.cdva.ca.gov/board
- Email address for the California Veterans Board is CalVetBoard@cdva.ca.gov

ADJOURNED

NOTE: Due to technical problems, the tapes for the March 7, 2003 California Veterans Board meetings are unavailable. This is a summary constructed from notes